

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

**UNITED STATES OF AMERICA ex rel.
JEFFREY H. LIEBMAN and DAVID M.
STERN, M.D.,**

Plaintiffs/Relators,

v.

**METHODIST LE BONHEUR
HEALTHCARE and
METHODIST HEALTHCARE-MEMPHIS
HOSPITALS,**

Defendants.

Case No. 3:17-CV-00902

**District Judge William L.
Campbell, Jr.**

**Magistrate Judge Barbara D.
Holmes**

METHODIST DEFENDANTS' SUPPLEMENTAL INITIAL DISCLOSURES

Defendants Methodist Le Bonheur Healthcare and Methodist Healthcare-Memphis Hospitals ("Methodist Defendants") make the following supplemental initial disclosures under Federal Rule of Civil Procedure 26(a)(1).

A. The name and, if known, the address and telephone number of each individual likely to have discoverable information—along with the subjects of that information—that Methodist Defendants may use to support their claims or defenses.

Methodist Defendants are aware of the following individuals who are likely to have discoverable information that Methodist Defendants may use to support their claims or defenses in this action:

Donna Abney, Former Chief Operating Officer of Methodist Le Bonheur Healthcare. Ms. Abney has information about the negotiation, terms, and performance of the affiliation agreements between Methodist Le Bonheur Healthcare or its subsidiaries (hereinafter "Methodist"), including Methodist Healthcare-Memphis Hospitals, and the West Clinic, P.C. (together with affiliated entities, "West Clinic"), including the Professional Services Agreement, the Management Services/Performance Improvement Agreement, the Asset Purchase

Agreement and its Amendment, the Leased Employee and Administrative Services Agreement, and the Unwind Agreement (collectively, the “Affiliation Agreements”); Methodist’s Oncology Service Line, which operated under the name West Cancer Center; and Methodist’s relationship with the University of Tennessee Health Science Center (“UTHSC”), including Relator Dr. David Stern’s work. Ms. Abney can be contacted through Methodist Defendants’ counsel.

Matthew Ballo, Medical Director of Radiation Oncology at West Cancer Center. Dr. Ballo has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Ballo can be contacted through West Clinic’s counsel.

Curtis Bernstein, Partner at Pinnacle Healthcare Consulting. Mr. Bernstein has information regarding later valuations of the Management Services/Performance Improvement Agreement between Methodist and West Clinic. Mr. Bernstein can be contacted at:

Pinnacle Healthcare Consulting
9085 E. Mineral Circle, Suite 110
Centennial, Colorado 80112
cbernstein@askphc.com
720-598-1431

Michael Berry, Director of Margaret West Comprehensive Breast Center. Dr. Berry has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Berry can be contacted through West Clinic’s counsel.

Ann Brandt, Former Partner at Healthcare Appraisers, Inc. Dr. Brandt has information regarding the original valuation of the Management Services/Performance Improvement Agreement between Methodist and West Clinic. Dr. Brandt can be contacted at her current employment:

LBMC Healthcare Group
201 Franklin Road
Brentwood, Tennessee 37027
ann.brandt@lbmc.com
615-377-4600

Ken Brown, Executive Vice Chancellor University of UTHSC. Dr. Brown has information regarding Dr. Stern’s performance and activities during his time at UTHSC, including in relation to West Cancer Center. Dr. Brown can be contacted through UTHSC’s counsel.

Michael Choukas, Former Principal of Choukas Oncology Ventures and Former Chief Executive Officer of Vector Oncology Solutions. Mr. Choukas has information regarding the valuation and business operations of Acorn Research

LLC, later known as Vector Oncology Solutions (“Vector Oncology”). Mr. Choukas can be contacted at his current employment:

Autem Medical
35 Main Street, Suite 208
Hanover, New Hampshire
info@autemmedical.com
603-310-5044

Christopher Collins, Principal at ECG Management Consultants. Mr. Collins has information regarding the valuations of the Professional Services Agreement between Methodist and West Clinic. Mr. Collins can be contacted at:

ECG Management Consultants
100 Cambridge Street, Suite 2001
Boston, Massachusetts 02114
ccollins@ecgmc.com
617-849-5188

Ron Davis, Former Chief Financial Officer of West Clinic. Mr. Davis has information about payments made between Methodist and West Clinic and West Clinic’s submission of payroll information, clinical wRVUs performed, and other invoices and expenses for payment by Methodist under the terms of the Affiliation Agreements. Mr. Davis can be contacted through West Clinic’s counsel.

Chuck Lane, Chief Financial Officer of Methodist Le Bonheur Healthcare and Former Chief Financial Officer of Methodist University Hospital. Mr. Lane has information regarding the performance of the Affiliation Agreements between Methodist and West Clinic. Mr. Lane also has information about the performance and activities of Relator Jeffrey Liebman while he was Chief Executive Officer of Methodist University Hospital. Mr. Lane can be contacted through Methodist Defendants’ counsel.

Jeffrey Liebman, Former Chief Executive Officer of Methodist University Hospital. Mr. Liebman has information about the allegations brought in this lawsuit and his performance and activities at Methodist University Hospital. Mr. Liebman can be contacted through his counsel.

Jeff Lockridge, Director at PricewaterhouseCoopers. Mr. Lockridge has information regarding the development of the West Cancer Center affiliation structure, including the development of performance metrics under the Management Services/Performance Improvement Agreement between Methodist and West Clinic. Mr. Lockridge can be contacted at:

PricewaterhouseCoopers LLP
101 West Washington Street, Suite 1300
Indianapolis, Indiana 46204
Jeffrey.a.lockridge@us.pwc.com
317-940-7004

Chris McLean, Former Chief Financial Officer of Methodist Le Bonheur Healthcare. Mr. McLean has information about the negotiation, terms, and performance of the Affiliation Agreements between Methodist and West Clinic. Mr. McLean also has information regarding Methodist's Oncology Service Line, operated under the name West Cancer Center, and Methodist's relationship with UTHSC, including Dr. Stern's work. Mr. McLean also has information regarding Methodist's investment in Vector Oncology. Mr. McLean also has information about the performance and activities of Mr. Liebman while he was Chief Executive Officer of Methodist University Hospital. Mr. McLean can be contacted through Methodist Defendants' counsel.

Erich Mounce, Former Chief Executive Officer of West Clinic and Former Administrator of West Cancer Center. Mr. Mounce has information about the negotiation, terms, and performance of the Affiliation Agreements between Methodist and West Clinic and Methodist's Oncology Service Line, which operated under the name West Cancer Center, including the performance of services under the Affiliation Agreements by West Clinic physicians. Mr. Mounce also has information regarding Methodist's investment in Vector Oncology. Mr. Mounce can be contacted through West Clinic's counsel.

David Portnoy, Hematologist Oncologist and West Clinic Physician. Dr. Portnoy has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Portnoy can be contacted through West Clinic's counsel.

Cheryl Prince, Vice President of Clinic Integration for the West Cancer Center. Ms. Prince has information about the management services provided by West Clinic under the Management Services/Performance Improvement Agreement between Methodist and West Clinic. Ms. Prince can be contacted through West Clinic's counsel.

Sylvia Richey, Associate Medical Director of West Cancer Center, Hematologist/Medical Oncologist, West Clinic Physician, and current Chief Medical Officer of West Cancer Center. Dr. Richey has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Richey also has information regarding Methodist's investment in Vector Oncology. Dr. Richey can be contacted through West Clinic's counsel.

Steve Schwab, Chancellor and Chief Executive Officer of UTHSC. Dr. Schwab has information regarding the involvement of UTHSC and the University of Tennessee ("UT") in the West Cancer Center affiliation. He also has information regarding the master affiliation agreement between Methodist and UT, including as it relates to the Cancer Base Mission Support Fund. Dr. Schwab also has information regarding Dr. Stern's performance and activities during his time as Executive Dean of

UTHSC, including in relation to West Cancer Center. Dr. Schwab can be contacted through UTHSC's counsel.

Lee Schwartzberg, Former Medical Director of West Cancer Center, Hematologist/Medical Oncologist, Founding Partner of West Clinic, and President and Chief Medical Officer of Vector Oncology. Dr. Schwartzberg has information about the Affiliation Agreements, including about clinical and management services provided by West Clinic under those agreements. Dr. Schwartzberg also has information about Vector Oncology and Methodist's investment therein. Dr. Schwartzberg can be contacted through West Clinic's counsel.

Gary Shorb, Former Chief Executive Officer of Methodist Le Bonheur Healthcare. Mr. Shorb has information about the negotiation, terms, and performance of the Affiliation Agreements between Methodist and the West Clinic. Mr. Shorb also has information regarding Methodist's Oncology Service Line, operated under the name West Cancer Center, and Methodist's relationship with UTHSC, including Dr. Stern's work. Mr. Shorb also has information regarding Methodist's investment in Vector Oncology. Mr. Shorb also has information about the performance and activities of Mr. Liebman while he was Chief Executive Officer of Methodist University Hospital. Mr. Shorb can be contacted through Methodist Defendants' counsel.

Bradley Somer, President of West Cancer Center, Medical Oncologist, and West Clinic Physician. Dr. Somer has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Somer also has information regarding Methodist Le Bonheur Healthcare's investment in Vector Oncology. Dr. Somer can be contacted through West Clinic's counsel.

David Stern, Former Executive Dean of UTHSC and Former Executive Vice President of Medical Affairs at Methodist Le Bonheur Healthcare. Dr. Stern has information about the negotiation, terms, and performance of the Affiliation Agreements between Methodist and West Clinic; Methodist's Oncology Service Line, which operated under the name West Cancer Center; Methodist's relationship with UTHSC, including his performance in his roles at UTHSC and Methodist; and UTHSC's relationship with West Clinic. Dr. Stern also has information about the allocation and expenditure of the Cancer Base Mission Support Fund. Dr. Stern can be contacted through his counsel.

Kurt Tauer, Former Chief of Staff of West Cancer Center, Chairman of West Cancer Center, Hematologist/Medical Oncologist, and Founding Partner of West Clinic. Dr. Tauer has information about the Affiliation Agreements, including about clinical and management services provided by West Clinic under those agreements. Dr. Tauer also has information about Vector Oncology and Methodist's investment therein. Dr. Tauer can be contacted through West Clinic's counsel.

Todd Tillmanns, Gynecologic Oncologist and West Clinic Physician. Dr. Tillmanns has information about the clinical and management services provided by West Clinic under the Affiliation Agreements. Dr. Tillmanns also has information regarding Methodist Le Bonheur Healthcare's investment in Vector Oncology. Dr. Tillmanns can be contacted through West Clinic's counsel.

Michael Ugwueke, Chief Executive Officer of Methodist Le Bonheur Healthcare, Former Chief Operating Officer of Methodist Le Bonheur Healthcare, and Former Senior Vice President for Methodist North and South Hospitals. Dr. Ugwueke has information regarding the performance of the Affiliation Agreements between Methodist and West Clinic. Dr. Ugwueke also has information regarding Methodist's Oncology Service Line, operated under the name West Cancer Center, and Methodist's relationship with UTHSC, including Dr. Stern's work. Dr. Ugwueke also has information about the performance and activities of Mr. Liebman while he was Chief Executive Officer of Methodist University Hospital. Dr. Ugwueke can be contacted through Methodist Defendants' counsel.

The Methodist Defendants reserve the right to supplement this list and to call any witnesses listed by the Relators, the United States, or any other party in their Initial Disclosures, as well as any other party and non-party witnesses whose testimony may become relevant as discovery is taken in this case.

B. Description by category and location of all documents, electronically stored information, and tangible things that Methodist Defendants have in their possession, custody, or control that Methodist Defendants may use to support their claims or defenses.

Methodist Defendants are currently aware of the following general categories of documents, electronically stored information, and tangible things they may use to support their claims or defenses:

1. Affiliation Agreements between Methodist and the West Clinic, as defined above;
2. Agreements governing the transfer or assignment of interests in real estate related to the transaction documented by the Affiliation Agreements;
3. Invoices and calculations regarding payments Methodist made to West Clinic pursuant to the Affiliation Agreements, including:

- a. wRVU invoices for payment under the Professional Services Agreement;
 - b. Base compensation invoices and documentation of achievements for incentive compensation under the Management Services/Performance Improvement Agreement;
 - c. Records of pass-through payroll compensation under the Leased Employee and Administrative Services Agreement;
- 4. West Cancer Center Annual Reports discussing West Clinic's activities and achievements for the Oncology Service Line;
- 5. Documentation of Methodist Le Bonheur Healthcare subsidiary Ambulatory Operations, Inc.'s relationship with Vector Oncology;
- 6. Fair Market Value opinions to support the Affiliation Agreements and the Vector Oncology investment;
- 7. Agreements between Methodist and UT governing the Cancer Base Mission Support Fund and related documentation tracking fund allocation and spending, including on physician recruitment, academic training, and research activities;
- 8. 340B Contract Pharmacy Services Agreement(s), including with AnovoRx Group, LLC, and documents related to AnovoRx's services;
- 9. Financial statements for Methodist's Oncology Service Line, which was known as West Cancer Center during the affiliation;
- 10. Communications between Methodist and West Clinic relating to the development and operation of West Cancer Center;
- 11. Communications between Methodist and UTHSC relating to the development and operation of West Cancer Center;
- 12. Communications between Chris McLean and Vector Oncology, in Mr. McLean's role as a member of the Vector Oncology Board of Directors;
- 13. Presentations by PricewaterhouseCoopers from meetings of the "Steering Committee" charged with the development of West Cancer Center; and
- 14. Minutes and accompanying materials from meetings of West Cancer Center governing bodies and committees, including documentation

of services performed by West Clinic under the Affiliation Agreements.

Methodist Defendants reserve the right to offer into evidence any other documents that become relevant during the course of discovery, any documents identified by Relators, the United States, or any other party in their Initial Disclosures, and documents produced by any party or non-party during the course of litigation. The categories of documents identified above are located at Methodist Le Bonheur Healthcare, 1211 Union Ave, Memphis, TN 38104. Certain electronic data referenced above may be located at Methodist's Information Technology Department at 5865 Shelby Oaks Circle, Memphis, TN 38134. Methodist Defendants have produced the above documents.

C. A computation of each category of damages claimed by Methodist Defendants.

Methodist Defendants are not making a claim for damages at this time but reserve the right to amend this disclosure in the event they assert a counterclaim.

D. Any insurance agreement under which an insurance business may be liable to satisfy all or part of a possible judgment in the action or to indemnify or reimburse for payments made to satisfy the judgment.

Methodist Defendants are not aware of any relevant insurance coverage at this time.

Respectfully Submitted,

/s/ J. Taylor Chenery

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CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing has been served on the following counsel via email today, June 24, 2022:

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/s/ J. Taylor Chenery